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**THE DIRECTOR OF CENTRAL INTELLIGENCE**

WASHINGTON, D.C. 20505

**National Intelligence Council**

7 January 1983

MEMORANDUM FOR: Director of Central Intelligence  
Deputy Director of Central Intelligence

THROUGH : Chairman, National Intelligence Council

FROM : David D. Gries  
National Intelligence Officer for East Asia

SUBJECT : Your lunch for Assistant Secretary Dominick L.  
DiCarlo on Tuesday, 11 January

1. You invited DiCarlo to lunch to show the Agency's interest in the narcotics problem. The other guests represent most of the Agency offices concerned with narcotics collection and production. DiCarlo's principal Deputy Assistant Secretary, Clyde Taylor, will also attend.

2. DiCarlo occupies a unique position on our horizon since he controls a multi-million dollar kitty which funds not only all US Government narcotics crop eradication programs abroad, but also some CIA analytical work in the Strategic Narcotics Branch of OGI. CIA relations with DiCarlo and Taylor are excellent. They believe that we possess the only professional-level analytical capability on narcotics in the Intelligence Community, and they are generally satisfied with the product. On the other hand they would like to see more collection, and like all of us they are frustrated by problems of coordination problems in the Intelligence Community.

3. DiCarlo is a particularly forceful spokesman. An excellent public speaker, he has traveled widely and given generously of his time, acting as a salesman for US Government narcotics programs. Some points you might want to take up with him follow:

- The President has not yet decided whether to sign the bill establishing a narcotics czar. We are in an awkward position because the same bill contains unrelated provisions on protection of our personnel that we very much want. We have deferred to Justice. What is your view?

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- My staff have shown me a series of questions you recently posed on US strategy regarding opium production. These questions contain some powerful insights. We are considering using them as the nucleus of a National Intelligence Estimate addressing how the world supply of opium is allocated; that is, is it allocated by market forces?; do interdiction efforts effect prices and supply?; do populations in producing areas influence supply and price in the United States?; have US interdiction efforts led to dispersion of production among more countries than would otherwise have been involved?

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4. Tab A is the paper written by DiCarlo described in the third talking point above. Tab B is a DDO paper giving an account of recent manpower and budget decisions. Tab C is biographic information on DiCarlo and Taylor.

  
David D. Gries

Attachments  
As Stated